

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED JUNE 30, 2018**

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 381
Spearville, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 381 and its related municipal entity, the Spearville Recreation Commission (collectively referred to as the Municipal Financial Reporting Entity), as of and for the year ended June 30, 2018, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note A, the financial statement is prepared by the Municipal Financial Reporting Entity on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Municipal Financial Reporting Entity as of June 30, 2018, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the Municipal Financial Reporting Entity as of June 30, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures, schedule of regulatory basis receipts, expenditures, and unencumbered cash – district activity funds, summary of regulatory basis receipts and disbursements – agency funds, and individual fund schedules of regulatory basis receipts and expenditures for the related municipal entity (Schedules 1, 2, 3, 4, and 5 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated December 7, 2017, which contained an unmodified opinion on the basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link: <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended June 30, 2018 (Schedules 2 and 5 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the 2017 basic financial statement as a whole, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

December 5, 2018

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Funds</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General funds:			
General	\$ -	\$ -	\$ 2,597,321
Supplemental general	33,514	-	891,612
Total general funds	33,514	-	3,488,933
Special purpose funds:			
Capital outlay	272,739	11,363	206,516
Driver training	10,238	-	5,120
At risk (K-12)	49,406	-	88,709
Food service	56,594	-	176,987
Professional development	14,461	-	1,049
Special education	301,610	-	352,840
Bilingual	-	-	12,018
Recreation commission	51,666	-	110,499
KPERS special retirement contribution	-	-	242,654
Career and postsecondary education	34,609	-	62,400
Contingency reserve	182,489	-	-
Textbook and student materials revolving	15,480	-	13,540
REAP - rural education achievement	-	-	36,823
Title I	-	-	28,758
Title IIA	-	-	5,735
Gifts and grants	416,553	-	463,014
District activity	11,096	-	78,918
Total special purpose funds	1,416,941	11,363	1,885,580
Bond and interest fund:			
Bond and interest	486,800	-	817,717
Trust fund:			
Scholarship trust	803	-	7
Business fund:			
Special reserve	-	-	273,702
Total Unified School District No. 381	1,938,058	11,363	6,465,939
Related municipal entity:			
Spearville Recreation Commission:			
General	86,398	-	458,707
Construction	602,030	-	427,500
Total related municipal entity	688,428	-	886,207
Total municipal financial reporting entity (excluding agency funds)	\$ 2,626,486	\$ 11,363	\$ 7,352,146

<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
\$ 2,597,090	\$ 231	\$ 55,349	\$ 55,580
875,155	49,971	36,968	86,939
<u>3,472,245</u>	<u>50,202</u>	<u>92,317</u>	<u>142,519</u>
99,235	391,383	5,646	397,029
3,700	11,658	-	11,658
138,115	-	-	-
175,862	57,719	960	58,679
870	14,640	-	14,640
386,176	268,274	-	268,274
12,018	-	-	-
100,000	62,165	-	62,165
242,654	-	-	-
50,984	46,025	-	46,025
-	182,489	-	182,489
177	28,843	-	28,843
36,823	-	6,479	6,479
28,758	-	-	-
5,735	-	-	-
71,442	808,125	250	808,375
77,083	12,931	-	12,931
<u>1,429,632</u>	<u>1,884,252</u>	<u>13,335</u>	<u>1,897,587</u>
<u>807,956</u>	<u>496,561</u>	<u>-</u>	<u>496,561</u>
<u>810</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>272,816</u>	<u>886</u>	<u>25,159</u>	<u>26,045</u>
<u>5,983,459</u>	<u>2,431,901</u>	<u>130,811</u>	<u>2,562,712</u>
133,622	411,483	270	411,753
1,029,530	-	-	-
<u>1,163,152</u>	<u>411,483</u>	<u>270</u>	<u>411,753</u>
<u>\$ 7,146,611</u>	<u>\$ 2,843,384</u>	<u>\$ 131,081</u>	<u>\$ 2,974,465</u>

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2018

	<u>Ending cash balance</u>
Composition of cash balance:	
U.S.D. No. 381 accounts:	
Checking accounts	\$ 1,872,148
Money market accounts	731,000
Savings accounts	<u>9</u>
Total Unified School District No. 381	2,603,157
Agency funds	<u>(40,445)</u>
Total Unified School District No. 381 (excluding agency funds)	<u>2,562,712</u>
Related municipal entity:	
Spearville Recreation Commission:	
Checking account	200
Money market accounts	<u>411,553</u>
Total related municipal entity	<u>411,753</u>
Total municipal financial reporting entity (excluding agency funds)	<u><u>\$ 2,974,465</u></u>

The notes to the financial statement are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

June 30, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the District's financial statement. The financial statement, schedules, and notes are representations of the District's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Unified School District No. 381 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 381 (the Municipality) and its related municipal entity. The related municipal entity is included in the District's reporting entity because it was established to benefit the District and/or its constituents.

Spearville Recreation Commission. The Commission oversees recreational activities. The Commission operates as a separate governing body but the District levies the taxes for the Commission and the Commission has only the powers granted by K.S.A. 12-1928. Four of the five members of the governing board of the Commission are appointed by the Board of Education. The Commission cannot purchase real property but can acquire real property by gift.

2. Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the District for the year ended June 30, 2018:

REGULATORY BASIS FUND TYPES

General funds – the chief operating funds. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund – used to account for the accumulation of resources (including tax levies, transfers from other funds, etc.) and payment of general long-term debt.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Basis of Presentation – Fund Accounting (Continued)

Trust fund – used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Business fund – financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.).

Agency funds – used to report assets held by the municipal financial reporting entity in a purely custodial capacity (student organization funds).

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities, or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

4. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general funds, special purpose funds (unless specifically exempted by statute), and bond and interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding fiscal year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for the trust fund, the business fund, and the following special purpose funds:

- Contingency Reserve
- Textbook and Student Materials Revolving
- REAP – Rural Education Achievement
- Title I
- Title IIA
- Gifts and Grants
- District Activity

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

5. In-Substance Receipt in Transit

The District received \$200,714 subsequent to June 30, 2018, and as required by K.S.A. 72-6417 and 72-6434, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2018.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration to the Director of Accounts and Reports, the State Department of Education, and legal representatives of the District.

The budget law provided by K.S.A. 79-2935 prohibits the expenditures of funds in excess of that allowed by the budget. Expenditures of the KPERS Special Retirement Contribution Fund exceeded the adopted budget by \$34.

C. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds to have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Custodial credit risk - deposits. Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2018.

At June 30, 2018, the District's carrying amount of deposits was \$2,603,157 and the bank balance was \$2,582,595. Of the bank balance, \$500,000 was covered by federal depository insurance and \$2,082,595 was collateralized with securities held by the pledging financial institutions agents in the District's name.

D. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2018, were as follows:

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions/ net change</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
General obligation bonds:					
Series 2009					
Issued March 1, 2010					
In the amount of \$2,235,000					
At interest rates of 2.50%					
to 4.00%					
Maturing September 1, 2019	\$ 745,000	\$ -	\$ 240,000	\$ 505,000	\$ 23,650
Series 2012					
Issued June 1, 2012					
In the amount of \$8,285,000					
At interest rates of 2.00%					
to 3.125%					
Maturing September 1, 2032	<u>7,355,000</u>	<u>-</u>	<u>335,000</u>	<u>7,020,000</u>	<u>209,306</u>
Total general obligation bonds	<u>\$8,100,000</u>	<u>\$ -</u>	<u>\$ 575,000</u>	<u>\$7,525,000</u>	<u>\$ 232,956</u>

D. LONG-TERM DEBT (CONTINUED)

Current maturities of general obligation bonds and interest for the next five years and in five year increments through maturity are as follows:

	Principal due	Interest due	Total due
2019	\$ 600,000	\$ 213,856	\$ 813,856
2020	620,000	193,406	813,406
2021	380,000	177,131	557,131
2022	395,000	165,506	560,506
2023	410,000	153,431	563,431
2024-2028	2,310,000	594,560	2,904,560
2029-2033	2,810,000	223,154	3,003,154
Total	<u>\$ 7,525,000</u>	<u>\$ 1,721,044</u>	<u>\$ 9,246,044</u>

E. OPERATING LEASE

The District has entered into an operating lease agreement for five copiers. Rental payments for the current year totaled \$15,592. The operating lease agreement expires on June 30, 2022.

The following is a yearly schedule of future minimum rental payments under the operating leases:

2019	\$ 15,592
2020	15,592
2021	15,593
2022	15,593
	<u>\$ 62,370</u>

F. INTERFUND TRANSACTIONS

Operating transfers were as follows:

From	To	Amount	Regulatory authority
General fund	Capital outlay fund	\$ 44,000	K.S.A. 72-6428
General fund	Special education fund	319,723	K.S.A. 72-6428
General fund	Bilingual fund	12,018	K.S.A. 72-6428
Total general fund		<u>375,741</u>	
Supplemental general fund	Food service fund	8,002	K.S.A. 72-6433
Supplemental general fund	Special education fund	20,393	K.S.A. 72-6433
Supplemental general fund	Career and postsecondary education fund	60,000	K.S.A. 72-6433
Supplemental general fund	At risk (K-12) fund	88,709	K.S.A. 72-6433
Total supplemental general fund		<u>177,104</u>	
		<u>\$ 552,845</u>	

Transfer to the related municipal entity was as follows:

From	To	Amount	Regulatory authority
Recreation commission fund	Spearville Recreation Commission	<u>\$ 100,000</u>	K.S.A. 12-1928

G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other post employment benefits. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Section 125 cafeteria plan/health insurance. The District offers a Section 125 cafeteria plan for all employees electing to participate. It is used for medical insurance premiums, unreimbursed medical expenses, and child care expenses. The plan is administered by the health insurance provider. The District withholds the amounts from the employee's paychecks and remits the withholding to the plan administrator.

Compensated absences. The District's policies regarding vacation and sick pay permit an annual vacation of one to three weeks with pay depending on years of service to employees assigned to twelve month positions. The Superintendent is entitled to an annual vacation of three weeks. Non-certified staff only are entitled to payment for unused vacation if they terminate employment at the end of the contract period. Sick leave for all employees may be accumulated at a rate of ten days per year up to a total accumulation of 72 days. A sick leave pool is administered by a committee of District employees. Personal leave is given to all personnel at two days per year and may accumulate to a total of three days for non-certified staff and four days for certified personnel. In the event of death, retirement, or termination of employment, accumulated sick and personal leave is lost. The District's policy is to recognize the costs of compensated absences when actually paid.

H. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

H. DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution with a 0% moratorium from the period of January 1, 2017 through September 30, 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2017. The actuarially determined employer contribution rate was 12.01% for the fiscal year ended June 30, 2018. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091 for the fiscal year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 30th was \$304,596,361. Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$242,654 for the year ended June 30, 2018.

Net Pension Liability

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$2,452,894. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at www.kpers.org or can be obtained as described above.

I. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and medical needs of employees. The District purchases commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Settled claims from these risks have not exceeded insurance coverage in any of the past three years.

I. RISK MANAGEMENT (CONTINUED)

The District has established an internal service fund to account for its medical self-insurance program and has entered into a partially self-funded agreement. This agreement allows the District to assume a limited amount of liability by self-insuring a portion of the employees' medical expenses. Premiums paid for an excess coverage insurance policy cover individual and family claims in excess of \$25,000 and the District is also protected by an aggregate stop-loss protection provision, which limits its liability on total self-insurance claims for a contract period. Liabilities for unpaid claims are those claims that are unpaid at year end. Changes in the claims liability amount are as follows:

	<u>Beginning of year liability</u>	<u>Claims and changes in estimates</u>	<u>Claim payments</u>	<u>End of year liability</u>
2017-2018	\$ -	\$ 272,816	\$ 247,657	\$ 25,159

J. CONTINGENCIES

The District receives significant financial assistance from numerous Federal and State governmental agencies in the form of grants and State pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the District at June 30, 2018.

K. SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 5, 2018, the date on which the financial statement was available to be used. Management's evaluation concluded that the following subsequent event is required to be recognized or disclosed in this financial statement:

On September 9, 2018, the District approved using Blue Cross and Blue Shield as the District's medical insurance provider, with coverage starting October 1, 2018. Prior to this approval, the District was self-funded and intends to settle all outstanding claims before June 30, 2019.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Funds</u>	<u>Certified budget</u>	<u>Adjustment to comply with legal maximum budget</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General funds:					
General	\$ 2,672,403	\$ (75,313)	\$ 2,597,090	\$ 2,597,090	\$ -
Supplemental general	887,159	(12,004)	875,155	875,155	-
Special purpose funds:					
Capital outlay	395,700	-	395,700	99,235	296,465
Driver training	9,230	-	9,230	3,700	5,530
At risk (K-12)	138,115	-	138,115	138,115	-
Food service	202,250	-	202,250	175,862	26,388
Professional development	10,000	-	10,000	870	9,130
Special education	437,362	-	437,362	386,176	51,186
Bilingual	15,000	-	15,000	12,018	2,982
Recreation commission	100,000	-	100,000	100,000	-
KPERS special retirement contribution	242,620	-	242,620	242,654	(34)
Career and postsecondary education	70,600	-	70,600	50,984	19,616
Bond and interest fund:					
Bond and interest	808,957	-	808,957	807,956	1,001
 Total Unified School District No. 381	 5,989,396	 (87,317)	 5,902,079	 5,489,815	 412,264
Related municipal entity:					
Spearville Recreation Commission:					
General	230,800	-	230,800	133,622	97,178
 Total municipal financial reporting entity	 \$ 6,220,196	 \$ (87,317)	 \$ 6,132,879	 \$ 5,623,437	 \$ 509,442

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
State sources:				
Equalization aid	\$ 2,187,021	\$ 2,339,501	\$ 2,355,270	\$ (15,769)
Special education aid	262,204	256,623	313,933	(57,310)
Mineral production tax	2,880	1,197	3,200	(2,003)
KPERS state aid	152,591	-	-	-
Total receipts	<u>2,604,696</u>	<u>2,597,321</u>	<u>\$ 2,672,403</u>	<u>\$ (75,082)</u>
Expenditures:				
Instruction	1,568,425	1,554,135	\$ 1,637,394	\$ 83,259
Student support services	28,120	29,824	56,020	26,196
General administration	176,155	188,253	185,150	(3,103)
School administration	222,689	229,949	233,400	3,451
Operations and maintenance	166,798	209,919	173,620	(36,299)
Student transportation services	6,798	9,269	22,705	13,436
Operating transfers	435,711	375,741	364,114	(11,627)
Adjustment to comply with legal maximum budget	-	-	(75,313)	(75,313)
Total expenditures	<u>2,604,696</u>	<u>2,597,090</u>	<u>\$ 2,597,090</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	231		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 231</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

SUPPLEMENTAL GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 8,580	\$ 3,795	\$ 8,955	\$ (5,160)
Current tax	478,439	502,053	477,496	24,557
Delinquent tax	4,208	6,680	1,706	4,974
Motor vehicle tax	37,255	43,478	39,458	4,020
Federal aid	-	150	-	150
State aid	346,475	335,244	335,244	-
Other	603	212	-	212
Total receipts	875,560	891,612	\$ 862,859	\$ 28,753
Expenditures:				
Instruction	144,284	188,557	\$ 122,729	\$ (65,828)
Student support services	(134)	(224)	-	224
General administration	44,761	47,719	40,000	(7,719)
School administration	4,542	4,559	4,600	41
Operations and maintenance	323,629	274,411	306,930	32,519
Student transportation services	138,284	183,029	133,900	(49,129)
Operating transfers	228,949	177,104	279,000	101,896
Adjustment to comply with legal maximum budget	-	-	(12,004)	(12,004)
Total expenditures	884,315	875,155	\$ 875,155	\$ -
Receipts over (under) expenditures	(8,755)	16,457		
Unencumbered cash, beginning of year	42,060	33,514		
Prior year canceled encumbrances	209	-		
Unencumbered cash, end of year	\$ 33,514	\$ 49,971		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

CAPITAL OUTLAY FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 862	\$ 404	\$ 1,150	\$ (746)
Current tax	50,774	53,537	50,892	2,645
Delinquent tax	124	298	181	117
Motor vehicle tax	1,147	4,406	4,039	367
Interest	16,353	33,244	14,000	19,244
State aid	12,776	14,553	14,552	1
Donations	28,600	-	-	-
Other	35,879	56,074	9,500	46,574
Transfer from general fund	20,916	44,000	35,181	8,819
Total receipts	167,431	206,516	\$ 129,495	\$ 77,021
Expenditures:				
Instruction	-	3,150	\$ -	\$ (3,150)
Operations and maintenance	-	-	18,700	18,700
Other support services	38,952	3	-	(3)
Facility acquisition and construction services	169,221	96,082	377,000	280,918
Total expenditures	208,173	99,235	\$ 395,700	\$ 296,465
Receipts over (under) expenditures	(40,742)	107,281		
Unencumbered cash, beginning of year	313,481	272,739		
Prior year canceled encumbrances	-	11,363		
Unencumbered cash, end of year	\$ 272,739	\$ 391,383		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

DRIVER TRAINING FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Fees	\$ 3,000	\$ 3,200	\$ -	\$ 3,200
State aid	2,176	1,920	4,200	(2,280)
Total receipts	5,176	5,120	\$ 4,200	\$ 920
Expenditures:				
Instruction	3,232	3,664	\$ 7,230	\$ 3,566
Operations and maintenance	74	36	2,000	1,964
Total expenditures	3,306	3,700	\$ 9,230	\$ 5,530
Receipts over (under) expenditures	1,870	1,420		
Unencumbered cash, beginning of year	8,368	10,238		
Unencumbered cash, end of year	\$ 10,238	\$ 11,658		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

AT RISK (K-12) FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		<u>2018</u>		
	<u>2017</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Receipts:				
Transfer from supplemental general fund	\$ 49,406	\$ 88,709	<u>\$ 100,000</u>	<u>\$ (11,291)</u>
Expenditures:				
Instruction	<u>43,462</u>	<u>138,115</u>	<u>\$ 138,115</u>	<u>\$ -</u>
Receipts over (under) expenditures	5,944	(49,406)		
Unencumbered cash, beginning of year	<u>43,462</u>	<u>49,406</u>		
Unencumbered cash, end of year	<u>\$ 49,406</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

FOOD SERVICE FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Charges for services	\$ 94,339	\$ 92,579	\$ 93,891	\$ (1,312)
Federal aid	80,685	74,210	81,039	(6,829)
State aid	2,325	2,196	1,944	252
Transfer from supplemental general fund	5,901	8,002	6,000	2,002
Total receipts	183,250	176,987	<u>\$ 182,874</u>	<u>\$ (5,887)</u>
Expenditures:				
Food service operations	186,680	175,862	<u>\$ 202,250</u>	<u>\$ 26,388</u>
Receipts over (under) expenditures	(3,430)	1,125		
Unencumbered cash, beginning of year	60,024	56,594		
Unencumbered cash, end of year	<u>\$ 56,594</u>	<u>\$ 57,719</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
State aid	\$ -	\$ 1,049	\$ -	\$ 1,049
Expenditures:				
Instructional support staff	116	870	\$ 10,000	\$ 9,130
Receipts over (under) expenditures	(116)	179		
Unencumbered cash, beginning of year	14,577	14,461		
Unencumbered cash, end of year	\$ 14,461	\$ 14,640		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

SPECIAL EDUCATION FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Federal aid	\$ -	\$ 1,811	\$ -	\$ 1,811
Other	8,699	10,913	-	10,913
Transfer from general fund	262,204	319,723	313,933	5,790
Transfer from supplemental general fund	114,400	20,393	120,000	(99,607)
Total receipts	385,303	352,840	\$ 433,933	\$ (81,093)
Expenditures:				
Instruction	363,934	371,361	\$ 430,162	\$ 58,801
General administration	18,069	13,365	-	(13,365)
Operations and maintenance	600	600	-	(600)
Student transportation services	7,090	850	7,200	6,350
Total expenditures	389,693	386,176	\$ 437,362	\$ 51,186
Receipts over (under) expenditures	(4,390)	(33,336)		
Unencumbered cash, beginning of year	306,000	301,610		
Unencumbered cash, end of year	\$ 301,610	\$ 268,274		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

BILINGUAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		<u>2018</u>		
	<u>2017</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Receipts:				
Transfer from general fund	\$ -	\$ 12,018	<u>\$ 15,000</u>	<u>\$ (2,982)</u>
Expenditures:				
Instruction	<u>-</u>	<u>12,018</u>	<u>\$ 15,000</u>	<u>\$ 2,982</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	<u>-</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

RECREATION COMMISSION FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 1,601	\$ 757	\$ 1,778	\$ (1,021)
Current tax	95,487	100,326	95,376	4,950
Delinquent tax	680	1,207	341	866
Motor vehicle tax	7,168	8,209	7,568	641
Total receipts	104,936	110,499	<u>\$ 105,063</u>	<u>\$ 5,436</u>
Expenditures:				
Transfer to related municipal entity	100,000	100,000	<u>\$ 100,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	4,936	10,499		
Unencumbered cash, beginning of year	46,730	51,666		
Unencumbered cash, end of year	<u>\$ 51,666</u>	<u>\$ 62,165</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
State aid	\$ -	\$ 242,654	\$ 242,620	\$ 34
Transfer from general fund	152,591	-	-	-
Total receipts	152,591	242,654	\$ 242,620	\$ 34
Expenditures:				
Instruction	106,813	169,857	\$ 165,000	\$ (4,857)
Student support services	4,578	7,280	14,620	7,340
General administration	10,681	16,986	11,000	(5,986)
School administration	16,785	26,692	27,000	308
Operations and maintenance	7,630	12,133	16,500	4,367
Food service operations	6,104	9,706	8,500	(1,206)
Total expenditures	152,591	242,654	\$ 242,620	\$ (34)
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

CAREER AND POSTSECONDARY EDUCATION FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Federal aid	\$ -	\$ 2,400	\$ -	\$ 2,400
Transfer from supplemental general fund	59,242	60,000	53,000	7,000
Total receipts	59,242	62,400	<u>\$ 53,000</u>	<u>\$ 9,400</u>
Expenditures:				
Instruction	49,200	50,984	<u>\$ 70,600</u>	<u>\$ 19,616</u>
Receipts over (under) expenditures	10,042	11,416		
Unencumbered cash, beginning of year	24,567	34,609		
Unencumbered cash, end of year	<u>\$ 34,609</u>	<u>\$ 46,025</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2018

	<u>Contingency reserve</u>	<u>Textbook and student materials revolving</u>	<u>REAP - rural education achievement</u>
Receipts:			
Fees	\$ -	\$ 13,540	\$ -
Federal aid	-	-	36,823
Wind farm allocation	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	-	13,540	36,823
Expenditures:			
Instruction	-	177	36,823
	<u>-</u>	<u>177</u>	<u>36,823</u>
Receipts over (under) expenditures	-	13,363	-
Unencumbered cash, beginning of year	<u>182,489</u>	<u>15,480</u>	<u>-</u>
Unencumbered cash, end of year	<u>\$ 182,489</u>	<u>\$ 28,843</u>	<u>\$ -</u>

See Independent Auditor's Report.

<u>Title I</u>	<u>Title IIA</u>	<u>Gifts and grants</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 13,540
28,758	5,735	-	71,316
<u>-</u>	<u>-</u>	<u>463,014</u>	<u>463,014</u>
28,758	5,735	463,014	547,870
<u>28,758</u>	<u>5,735</u>	<u>71,442</u>	<u>142,935</u>
-	-	391,572	404,935
<u>-</u>	<u>-</u>	<u>416,553</u>	<u>614,522</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 808,125</u>	<u>\$ 1,019,457</u>

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

BOND AND INTEREST FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 3,364	\$ 1,586	\$ 3,664	\$ (2,078)
Current tax	200,000	180,010	171,459	8,551
Delinquent tax	1,453	2,590	713	1,877
Motor vehicle tax	16,067	17,235	15,801	1,434
Wind farm allocation	403,108	398,148	398,148	-
State aid	201,124	218,148	218,148	-
Total receipts	825,116	817,717	\$ 807,933	\$ 9,784
Expenditures:				
Debt service:				
Principal	555,000	575,000	\$ 575,000	\$ -
Interest	249,494	232,956	232,957	1
Commission and postage	-	-	1,000	1,000
Total expenditures	804,494	807,956	\$ 808,957	\$ 1,001
Receipts over (under) expenditures	20,622	9,761		
Unencumbered cash, beginning of year	466,178	486,800		
Unencumbered cash, end of year	\$ 486,800	\$ 496,561		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

SCHOLARSHIP TRUST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>
Receipts:		
Interest	\$ 5	\$ 7
Expenditures:		
Scholarships	<u> -</u>	<u> 810</u>
Receipts over (under) expenditures	5	(803)
Unencumbered cash, beginning of year	<u> 798</u>	<u> 803</u>
Unencumbered cash, end of year	<u><u>\$ 803</u></u>	<u><u>\$ -</u></u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

SPECIAL RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended June 30, 2018

	<u>2018</u>
Receipts:	
Charges for services	\$ 273,702
Expenditures:	
General administration	<u>272,816</u>
Receipts over (under) expenditures	886
Unencumbered cash, beginning of year	<u>-</u>
Unencumbered cash, end of year	<u><u>\$ 886</u></u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Funds</u>	<u>Beginning unencumbered cash balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
Gate receipts:						
Athletics	\$ 859	\$ 53,736	\$ 52,092	\$ 2,503	\$ -	\$ 2,503
Forensics	848	-	140	708	-	708
Total gate receipts	<u>1,707</u>	<u>53,736</u>	<u>52,232</u>	<u>3,211</u>	<u>-</u>	<u>3,211</u>
School projects:						
Student incentive	108	-	40	68	-	68
Art department	957	2,755	1,632	2,080	-	2,080
Yearbook	2,202	9,801	11,506	497	-	497
Quiz bowl	88	2,075	1,555	608	-	608
Woods department	219	7,977	8,170	26	-	26
Business department	2,991	1,810	999	3,802	-	3,802
Memorial pictures	168	-	-	168	-	168
Concession equipment	<u>2,656</u>	<u>764</u>	<u>949</u>	<u>2,471</u>	<u>-</u>	<u>2,471</u>
Total school projects	<u>9,389</u>	<u>25,182</u>	<u>24,851</u>	<u>9,720</u>	<u>-</u>	<u>9,720</u>
Total district activity funds	<u>\$ 11,096</u>	<u>\$ 78,918</u>	<u>\$ 77,083</u>	<u>\$ 12,931</u>	<u>\$ -</u>	<u>\$ 12,931</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

AGENCY FUNDS

**SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Funds</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance (deficit)</u>
Student organization funds:				
Class of 2016	\$ 1,395	\$ -	\$ 1,395	\$ -
Class of 2017	860	65	925	-
Class of 2018	8,549	160	7,092	1,617
Class of 2019	14,288	14,091	19,499	8,880
Class of 2020	3,328	22,242	15,571	9,999
Class of 2021	-	10,402	8,260	2,142
Volleyball	-	2,312	2,029	283
HS mens basketball	68	-	-	68
Track and field	105	-	-	105
Baseball	184	3,351	3,149	386
Softball	425	740	632	533
HS girls basketball	79	-	-	79
Music/choir fund	2,229	5,714	7,722	221
National honor society	3,420	6,320	4,439	5,301
HS cheerleaders	2,915	17,915	14,367	6,463
Drill team	1,500	6,239	5,135	2,604
Dance team	19	4	173	(150)
Pep club	183	-	-	183
Student council	69	1,986	1,439	616
MS student council	186	718	271	633
JH cheerleaders	1,778	4,841	6,137	482
	<u>\$ 41,580</u>	<u>\$ 97,100</u>	<u>\$ 98,235</u>	<u>\$ 40,445</u>
Total agency funds	<u>\$ 41,580</u>	<u>\$ 97,100</u>	<u>\$ 98,235</u>	<u>\$ 40,445</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

**SPEARVILLE RECREATION COMMISSION
SPEARVILLE, KANSAS**

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from USD 381	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Charges and sales	11,725	11,343	12,000	(657)
Interest	1,455	1,083	300	783
Donations and pool rental	200	600	500	100
Other miscellaneous income	115	65	-	65
Grant income	-	328,473	27,500	300,973
Youth athletic programs	7,672	8,929	9,500	(571)
Transfer	-	8,214	-	8,214
Total receipts	121,167	458,707	\$ 149,800	\$ 308,907
Expenditures:				
Pool maintenance/improvements	37,659	6,539	\$ 40,000	\$ 33,461
Park maintenance/improvements	8,264	8,590	40,000	31,410
Youth athletic programs	6,946	11,374	13,000	1,626
Salaries	42,414	50,539	50,000	(539)
Capital purchases	45,749	4,560	15,000	10,440
Insurance	4,735	9,724	7,000	(2,724)
Ball field maintenance/improvements	2,591	5,633	30,000	24,367
Concession expense	2,520	3,724	6,000	2,276
Utilities	3,433	9,754	10,000	246
Payroll taxes	3,223	4,211	5,000	789
Park project	8,115	15,904	5,000	(10,904)
Advertising	164	69	-	(69)
Travel	531	448	-	(448)
Other	3,441	2,553	9,800	7,247
Total expenditures	169,785	133,622	\$ 230,800	\$ 97,178
Receipts over (under) expenditures	(48,618)	325,085		
Unencumbered cash, beginning of year	135,016	86,398		
Unencumbered cash, end of year	\$ 86,398	\$ 411,483		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 381
SPEARVILLE, KANSAS**

**SPEARVILLE RECREATION COMMISSION
SPEARVILLE, KANSAS**

CONSTRUCTION FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>
Receipts:		
Grant income	<u>\$ 798,569</u>	<u>\$ 427,500</u>
Expenditures:		
Ball field maintenance/improvements	196,539	1,021,316
Transfer	<u>-</u>	<u>8,214</u>
Total expenditures	<u>196,539</u>	<u>1,029,530</u>
Receipts over (under) expenditures	602,030	(602,030)
Unencumbered cash, beginning of year	<u>-</u>	<u>602,030</u>
Unencumbered cash, end of year	<u><u>\$ 602,030</u></u>	<u><u>\$ -</u></u>

See Independent Auditor's Report.